

92^D CONGRESS
1ST SESSION

Calendar No. 223

S. 382

IN THE SENATE OF THE UNITED STATES

JULY 20 (legislative day, JULY 19), 1971

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MATHIAS to S. 382, a bill to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes, viz: Following the last title of this bill, insert the following new title:

1 LIMITATIONS ON POLITICAL CONTRIBUTIONS,
2 EXPENDITURES, AND PURCHASES

3 (a) (1) No person, other than a political committee or
4 a candidate, may make contributions directly or indirectly
5 during any calendar year in an aggregate amount in excess
6 of—

7 (A) \$25,000 to any candidate for the office of

1 President in connection with his campaigns for nomina-
2 tion for election, and election, to such office;

3 (B) \$15,000 to any candidate for the office of
4 Senator in connection with his campaigns for nomination
5 for election, and election, to such office;

6 (C) \$5,000 to any candidate for the office of Rep-
7 resentative or Delegate or Resident Commissioner to the
8 Congress, in connection with his campaigns for nomi-
9 nation for election, and election, to such office.

10 (2) Amounts contributed to a political committee which
11 make contributions to or expenditures on behalf of only one
12 candidate shall be held and considered to be contributions to
13 such candidate. Amounts contributed to the candidate of any
14 party for the office of Vice President shall be held and con-
15 sidered to be contributions to the candidate of the same party
16 for the office of President.

17 (3) Indirect contributions are defined as the transfer
18 of funds from a donor to a candidate through one or more
19 other persons, including members of the donor's family,
20 without a fair market return to the donor for the money thus
21 expended. When such indirect contributions are made in a
22 way to conceal the origin of the contributions, any citizen
23 eligible to vote in the election in which the receiving candi-
24 date is standing or any public prosecutor at any jurisdiction
25 which the receiving candidate will represent, may seek a

1 court injunction requiring such indirect contributions to be
2 assessed against the original donor and counted toward his
3 limit. If such action is not taken and a donor exceeds his
4 limit without refund from the candidate, beginning on the
5 day of the election in which the candidate is standing the
6 donor is subject to criminal prosecution for any contributions
7 he has made under the meaning of this act that exceeds his
8 lawful limit. If a person through whom such contributions
9 have been channeled willingly aided the original contributor
10 to exceed his lawful limit, he too shall be subject to criminal
11 prosecution.

12 (b) In addition to the limit set forth in section (a) no
13 person, other than a political committee, may make aggregate
14 contributions to any political committee organized to
15 support two or more candidates or any number of such committees
16 in excess of \$10,000. Nor may any such person
17 specify how his contribution to a political committee supporting
18 two or more candidates should be apportioned among
19 the candidates the committee is supporting. All such contributions
20 must be deposited in the committee's general fund
21 to be dispensed at the committee's judgment.

22 (c) A committee that is expending funds with the substantial
23 purpose of affecting the election or defeat of a candidate
24 shall be considered a political committee under the
25 meaning of this Act, even if it is ostensibly organized to

1 support an issue. Any citizen eligible to vote in the election
2 that is allegedly influenced by such a committee has stand-
3 ing to show in court that the committee is a political com-
4 mittee required to observe the restrictions bearing on other
5 political committees, (both) regarding the amount that can
6 be legally contributed to these committees and regarding the
7 manner in which and the amount these committees can legally
8 spend in behalf of a candidate. In judging whether such a
9 committee is in fact a political committee the court may con-
10 sider, among other things, its organizational history, the
11 geographic distribution of its expenditures, and the degree
12 to which its stand on the issue suggests to the voter a choice
13 of candidates.

14 (d) (1) No political committee or candidate may sell
15 any goods, commodities, advertising, articles, or services to
16 any person other than a political committee or candidate.
17 No person other than a political committee or candidate may
18 purchase any goods, commodities, advertising, articles, or
19 services from a political committee or a candidate.

20 (2) This subsection shall not apply to a sale or pur-
21 chase—

22 (A) of any political campaign pin, button, badge,
23 flag, emblem, hat, banner, or similar campaign souvenir
24 or any political campaign literature or publications (but
25 shall apply to sales of advertising including the sale of

1 space in any publication), for prices not exceeding \$25
2 each;

3 (B) of tickets to political events or gatherings;

4 (C) of food or drink for a charge not substantially
5 in excess of the normal charge therefor; or

6 (D) made in the course of the usual and known
7 business, trade, or profession of any person or which is a
8 normal arm's-length transaction between persons, or a
9 transaction between a candidate and his spouse, child,
10 or parent.

11 (e) In all cases of violations of this section by a partner-
12 ship, committee, association, corporation, or other organiza-
13 tion or group of persons, the officers, directors, or managing
14 heads thereof who knowingly and willfully participate in
15 such violation shall be punished as herein provided.

16 (f) Any candidate adjudged guilty of the willing receipt
17 of funds in violation of this provision shall be fined not more
18 than \$5,000 or imprisoned for no more than five years, or
19 both. A contributor who violates this section shall be fined
20 an amount, not tax deductible, twice as large as the amount
21 by which he exceeded his limit and shall be subject to im-
22 prisonment for no more than one year.

Amdt. No. 290

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